HON'BLE MR JUSTICE A. GOPAL REDDY

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WRIT PETITION NO.21739 OF 1994

DATE:20.03.2006

Between:

Empee Sugar and Chemicals Ltd.,

Rep. by its Managing Director

M.P.Purushothaman.

..... PETITIONER

AND

The Government of A.P.,

Rep. by its Secretary,

Food and Agriculture (Marketing II)

Department, Secretariat, Hyderabad

& another.

.....RESPONDENTS

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HON'BLE MR JUSTICE A. GOPAL REDDY

W.P. No.21739 OF 1994

ORDER:

This Writ Petition has been filed to declare the notice issued by the second respondent in RC.No.165/94, dated 17.10.1994 as illegal and violative under the provisions of A.P. (Agricultural Produce and Live Stock) Market Act, 1966 (for short 'the Act') and consequently to direct the respondents not to insist the petitioner company to obtain a licence and to pay market cess under Section 7(1) of the Act.

Through the impugned notice the petitioner was called upon to apply for licence under Section 7(1) of the Act on the ground that since the sugarcane has been notified as an agricultural produce under G.O.Ms.No.286, dated 5.7.1994 the petitioner company is under obligation to obtain a licence and to pay the market fee on the sugarcane so purchased.

Learned counsel for the petitioner as well as the learned Standing Counsel for the second respondent submit that the issue raised in the present writ petition is squarely covered by the Judgment of the Apex Court in **Belsund Sugar Company Limited v. State of Bihar**(AIR 1999 SC 3125). In the said decision, the Apex Court held that the Market Committee cannot levy the market fee on the sale and purchase of sugarcane.

Following the same, the present Writ Petition is allowed. No costs.

A. GOPAL REDDY, J

20th MARCH, 2006.

Tsr